

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole


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and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: _____

Print Name: _____

Title: _____

SUBCONTRACTOR:

Daly Construction Inc
(Subcontractor Entity Name)

By: _____

Print Name: _____

Title: _____

EXHIBIT 4



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: Gulf Western Roofing & Sheet Metal, Inc.
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: _____
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: _____
 BUSINESS ADDRESS: P.O. Box 308377
Bonita Springs, FL 34130
 PHONE: 800-277-0697 FAX: (239) 243-0673 EMAIL: jklambly@lambcon.com

THIS AGREEMENT ("Agreement") made and entered into this 1st day of Sept, 2014 by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and Gulf Western Roofing & Sheet Metal, Inc. ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors, laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as:

STEED SUPER RAMPAGE

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and of this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.



10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.

12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.

13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Parties") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):

- (a) Work as required by the Contract Documents and under this Agreement;
- (b) construction or others services as required by the Contract Documents and under this Agreement;
- (c) materials furnished as required by the Contract Documents and under this Agreement;
- (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

[Handwritten signature]

- (e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
- (f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
- (g) breach of this Agreement; and/or
- (h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. **SUBCONTRACTOR WARRANTIES:** Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. **SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY**

[Handwritten signature]

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to ~~remove~~^{dispose of} all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificate of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. REMEDIES: IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. TERMINATION: This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project, excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

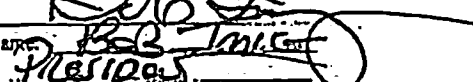
26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 
Print Name: Robert J. Lamb
Title: President

SUBCONTRACTOR:

Gulf Western Roofing & Sheet Metal, Inc.
(Subcontractor Entity's Name)

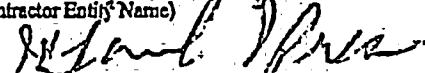
By: 
Print Name: Robert K. Lamb, Jr.
Title: President

EXHIBIT 5

STOCK

2647 Professional Circle • Suite 1201 • Naples, FL 34118

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: Hansen Screen Enclosures, Inc.
OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: _____
SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: _____
BUSINESS ADDRESS: 11840 Metro Parkway Ste. A. Fort Myers, Florida
PHONE 239-278-3211 FAX 239-267-1996 EMAIL tthompson@hanscreen.com

THIS AGREEMENT ("Agreement") made and entered into this 10th day of January, 20 11, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and Hansen Screen Enclosures, Inc. ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors, laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. SCOPE OF WORK. The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: WELDED RAIL & SCREENST ENCLOSURES

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. PRICING and PAYMENTS: Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid. Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work; Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FIA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention therein and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person until or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency. If Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

(c) injuries to/ to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
(d) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
(e) breach of this Agreement; and/or
(f) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive; provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity, and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. **SUBCONTRACTOR WARRANTIES:** Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warrant the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH AND DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. **COMPLETION:** Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. **WAIVER:** TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. **TAXES/CHARGES:** Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans; gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. **DEFECTIVE WORK:** Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. **BREACH:** SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

(e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or

(f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or

(g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or

(h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or

(i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;

(j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project, excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 

Print Name: Bob King

Title: President

SUBCONTRACTOR:

HANSEN SCREEN ENCLOSURES, INC.
(Subcontractor Entity Name)

By: 

Print Name: William L. Hansen

Title: G.M.

EXHIBIT 6

STOCK

2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: JMC Coatings LLC
OWNERSHIP: ☐ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☒ LIMITED LIABILITY COMPANY
NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS: _____
SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: _____
BUSINESS ADDRESS: 28210 Old 41 Rd. #308
Bonita Springs, FL 34135
PHONE: (239) 947-9905 FAX: (239) 947-9906 EMAIL: Paul@jmc-coatings.com

THIS AGREEMENT ("Agreement") made and entered into this 10 day of January, 20 11, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and JMC Coatings, LLC ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: W/E, Paseo, & Players Cove
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Waterproofing

Cost Code No: 07100

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.

8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

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10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

- (e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
- (f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
- (g) breach of this Agreement; and/or
- (h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the Insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A" and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

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and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third Party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: _____

Print Name: _____

Title: _____

SUBCONTRACTOR:

JMC Contractors, LLC
(Subcontractor Entity Name)

By: _____

Print Name: _____

Title: _____

COMPOSITE
EXHIBIT 7



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: JMC Painting & Waterproofing, Inc.
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS: John Cipolla
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: _____
 BUSINESS ADDRESS: 23210 Old 411 Rd. #308
 PHONE: (239) 947-9905 FAX: (239) 947-9906 EMAIL: painting-jmc@yahoo.com

THIS AGREEMENT ("Agreement") made and entered into this 31 day of January, 20 11, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and JMC Painting & Waterproofing ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: o/e. Parsed, 2 Players Cove
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: WATER FLOODING

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.



10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.

12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.

13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):

- (a) Work as required by the Contract Documents and under this Agreement;
- (b) construction or others services as required by the Contract Documents and under this Agreement;
- (c) materials furnished as required by the Contract Documents and under this Agreement;
- (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

(e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
(f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
(g) breach of this Agreement; and/or
(h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.



Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK, AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal; Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party herein in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: [Signature]
Print Name: Bob Stone
Title: President

SUBCONTRACTOR:

JMC Paving & Waterproofing, Inc.
(Subcontractor Entity Name)

By: [Signature]
Print Name: John C. Powell
Title: Pres.



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: JMC Painting & Waterproofing
 OWNERSHIP: CORPORATION PARTNERSHIP PROPRIETORSHIP LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS:
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
 BUSINESS ADDRESS: 28210 Old Hill Rd #308
Bonita Springs FL 34138
 PHONE (239) 947-9905 FAX (239) 947-9906 EMAIL Painting - JMC @ yahoo.com

THIS AGREEMENT ("Agreement") made and entered into this _____ day of _____, 20____, by and between Stock Construction, LLC, a Florida limited liability company ("Stock") and _____ ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Contract Documents" shall mean this Agreement, together with any Work Notification Forms, Pricing Addendums, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (b) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Pricing Addendum" shall have the meaning specified in Paragraph 4.
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (h) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor.
 - (i) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or material men for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and material men does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or material men. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.
3. The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Waterproofing

Cost Code No: _____

4. Attached hereto as a part of this Agreement, Subcontractor has submitted a signed and dated Pricing Addendum, receipt of which is acknowledged thereon by Stock, which specific Pricing Addendum is incorporated herein by reference. This Pricing Addendum may be modified by Subcontractor only by a subsequent written and dated amendment to the Pricing Addendum, as approved by and receipt of

which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Pricing Addendum shall be attached hereto and incorporated herein by reference. The Pricing Addendum in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

5. In conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.
6. Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

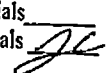
7. Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall be responsible for the receipt, delivery, unloading, storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work. Subcontractor shall supervise and direct all Work to the best of its ability and give it the attention necessary for such proper supervision and direction.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy. Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Pricing Addendums include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the project been conducted in a reasonable manner.

8. Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.
9. Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance

for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

10. Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor agrees not to employ for work on the project any person unfit or without sufficient skill to perform the job for which Subcontractor was retained. Subcontractor agrees that Company will not provide any training for the Subcontractor or its employees, agents, or subcontractors.
11. Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Company is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.
12. Subcontractor agrees to comply with the Safety & Health Standards attached hereto and incorporated herein by reference and the requirements of the Occupational Safety and Health Act of 1970, as amended, and all other applicable federal, state and local health, safety, environmental and hazardous work laws, including without limitation, the prompt submission of material safety data sheets when required, and Subcontractor hereby releases Stock of and from any and all liability of whatsoever nature because of any injury or injuries to Subcontractor, its employees, agents or subcontractors or any employees or agents of such subcontractors, or any other people doing work under an oral or written order or contract with Subcontractor.
13. Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, agents and subcontractors and any and all employees and agents of Subcontractor's subcontractors, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
14. To the fullest extent permitted by law, Subcontractor shall indemnify and hold harmless Stock (including its affiliates, parent and subsidiaries) and all of their officers, members, partners, directors, agents and employees (collectively the "Indemnified Parties") of, from and against any and all claims, liabilities, damages, costs and expenses, including, without limitation, contractual liabilities, damages, losses and expenses, including but not limited to, attorney's fees at trial and on appeal, arising out of, resulting from or related to the performance of the Work, or the performance of any construction or services required by the Contract Documents or performed by any subcontractors, laborers, materialman or agents, or the construction site, or the project, provided that any such claim, liability, damage loss or expense (1) is attributable to bodily injury, personal injury, sickness, disease or death, or to violations or alleged violations of the Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, or to violations or alleged violations of similar state laws and regulations, or to injury to or destruction of tangible property including the loss of use resulting therefrom, or to any defective work of Subcontractor, or to any breach by Subcontractor of this Agreement, and (2) caused in whole or in part by any act, failure to act, or omission of Subcontractor, any subcontractor of Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder and regardless of whether or not it is caused in part by the negligence of a party indemnified hereunder, provided however, such party indemnified shall not be indemnified for the sole negligence or willful misconduct of such indemnified party. Such obligation shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this Paragraph. In any and all claims against any party indemnified hereunder by any employee of Subcontractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under this Paragraph shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefit acts. In addition, in no event shall Subcontractor's obligations hereunder be limited to the extent of any insurance available to or provided by Subcontractor. At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreement, a sum of money which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph. Notwithstanding the foregoing, the indemnification obligations described herein shall be limited to a maximum of \$5,000,000.00, or the amount of the contract sum, whichever is greater. The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and, specifically to comply with Florida Statutes, Section 725.06 and is to be interpreted in such a way as to be fully enforceable.
15. Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good



quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. CONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY CONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. CONTRACTOR AGREES TO MAKE, AT CONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF CONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FOURTY- EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 15 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

16. Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
17. Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
18. Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Pricing Addendum, payment schedule and/or time for performance.
19. Subcontractor shall procure and maintain insurance in form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. Stock shall be named as an additional insured, loss payee and/or certificate holder on each of the policies as outlined on Exhibit "A". Prior to commencing any work under this Agreement, Subcontractor shall submit to Stock copies of policies or certificates that confirm insurance coverage. No policy will permit cancellation without 15 days prior written notice of cancellation to Stock and the certificates of insurance shall reflect such notice obligation. Failure of Subcontractor to maintain complete insurance may be deemed a material breach allowing Stock to terminate this Agreement, or to provide insurance at Subcontractor's sole expense, in neither case, however, shall Subcontractor's liability be lessened. Subcontractor acknowledges they shall not subcontract any part of this Agreement without supplying Stock proof that all sub agents insurance coverage complies with Exhibit A of this contract.
20. Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Pricing Addendum within twenty (20) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or

any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.

21. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.

22. Subcontractor shall pay all taxes required by law in connection with the Work under this Agreement or any Work Notification Form, including sales, use and similar taxes. CONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF CONTRACTOR.

23. Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.

24. CONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:

(a) Subcontractor's Work is defective and not remedied as provided herein; or

(b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or

(c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or

(d) Another contractor is damaged by an act for which Subcontractor is responsible; or

(e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or

(f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or

(g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or

(h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or

(i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;

(j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

25. IF CONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH CONTRACTOR OR OTHER CONTRACTOR BASE AGREEMENT BETWEEN CONTRACTOR,

AND STOCK AND DISMISS CONTRACTOR FROM THE JOB SITE BY PROVIDING CONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY CONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY CONTRACTOR, PERFORM CONTRACTOR'S WARRANTY SERVICE, OBLIGATIONS OR OTHERWISE CURE CONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM CONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO CONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO CONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM CONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

26. This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with written notice of such termination, and such termination shall be effective as of the time and date stated in such written notice. In the event of termination of the Agreement pursuant to this section without cause, Stock shall pay Subcontractor within fifteen (15) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this section with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages.
27. This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
28. Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.
29. All notices required to be given to Stock or Subcontractor shall be sent to the address shown on the front of this Agreement or to such other address as the parties may provide in writing.
30. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association.

Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.

31. This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: [Signature]
Print Name: BB Inc
Title: President

SUBCONTRACTOR:

JMC Painting & Waterproofing Inc
(Subcontractor Entity Name)

By: [Signature]
Print Name: John Cipolla
Title: Pres.

EXHIBIT 8



2847 Professional Circle • Suite 1201 • Naples, FL 34110

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: PACE ENCLOSURES, INC.
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS: Kathleen Serrano, Luis Giraldo, Emerson Magrini
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
 BUSINESS ADDRESS: 12101 CRYSTAL CONDO ROAD
FORT MYERS FL 33916
 PHONE (889) 275-3918 FAX (239) 275-6346 EMAIL enclosures1@hotmail.com

THIS AGREEMENT ("Agreement") made and entered into this 28 day of AUGUST, 2014, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and PACE ENCLOSURES, INC., a Florida corporation ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor, including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors, laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Screen enclosures to include pool decks, condos, extended lanais and under truss. Mechanical ceiling, picket panels and grab rails.
Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and/or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.

12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.

13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Parties") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):

- (a) Work as required by the Contract Documents and under this Agreement;
- (b) construction or others services as required by the Contract Documents and under this Agreement;
- (c) materials furnished as required by the Contract Documents and under this Agreement;
- (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

- (e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
- (f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
- (g) breach of this Agreement; and/or
- (h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by end/or negligence of any of the Indemnified Parties, whether active or passive, provided; however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Parties for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. **SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY**

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carrier duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificate of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its Insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. **COMPLETION:** Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereon.

20. **WAIVER:** TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.

21. **TAXES/CHARGES:** Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**

22. **DEFECTIVE WORK:** Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.

23. **BREACH:** SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:

- (a) Subcontractor's Work is defective and not remedied as provided herein; or
- (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
- (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
- (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. REMEDIES: IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

- 25. TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on or made known to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, L.L.C. a
Florida limited liability company

By: 

Print Name: Bob [unclear]

Title: President

SUBCONTRACTOR:

PAGE ENCLOSURES, INC.
(Subcontractor Entity Name)

By: Kathleen E. Serrano

Print Name: Kathleen E. Serrano

Title: President

EXHIBIT 9



2647 Professional Circle • Suite 1201 • Naples, FL 34110

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: Prime Drywall & Painting, Inc.

OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY

NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS:

SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO:

BUSINESS ADDRESS: 4530 N. Hatus Road, Ste 104

Sunrise, FL 33351

PHONE (954) 746-7407

FAX (954) 746-7409

EMAIL primepaint@comcast.net

THIS AGREEMENT ("Agreement") made and entered into this 6th day of August, 2014, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and Prime Drywall & Painting, Inc. ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following:
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor, including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors, laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

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3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Exterior & Interior Painting

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and of this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property in the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

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the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such Work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

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Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting, storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.

8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently; devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

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10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA), has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers; and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and/or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.

12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.

13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Parties") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses; any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):

- (a) Work as required by the Contract Documents and under this Agreement;
- (b) construction or others services as required by the Contract Documents and under this Agreement;
- (c) materials furnished as required by the Contract Documents and under this Agreement;
- (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder; and/or to violations or alleged violations similar state laws and regulations;

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- (e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
- (f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
- (g) breach of this Agreement; and/or
- (h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Parties for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. **SUBCONTRACTOR WARRANTIES:** Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. **SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY**

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SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carrier duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

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or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period. Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work;
- (d) Limitations or Exclusions for Multi-Unit Dwellings;
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Stock Initials: 
Subcontractor Initials: 

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees; and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insured policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. **COMPLETION:** Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.

20. **WAIVER:** TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.

21. **TAXES/CHARGES:** Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**

22. **DEFECTIVE WORK:** Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.

23. **BREACH:** SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:

- (a) Subcontractor's Work is defective and not remedied as provided herein; or
- (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
- (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
- (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

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- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quality or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. REMEDIES: IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S, OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. TERMINATION: This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to this Project, excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.



26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer; (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

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and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION LLC, a
Florida limited liability company

By: 

Print Name: Joe B. Tarr

Title: President

SUBCONTRACTOR:

Prime Drywall & Painting, Inc.

(Subcontractor Entry Name)

By: 

Print Name: Joseph Anisroff

Title: President



EXHIBIT 10

Pro Frame



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: PRO-FRAME CONSTRUCTION, LLC
OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: CHRISTOPHER J. BROWN, PRESIDENT
SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
BUSINESS ADDRESS: 2425 CENTRAL EXPRESSWAY, SUITE 100, NAPLES, FL 34110
PHONE: 239-999-9998 FAX: 239-999-9999 EMAIL: PRO@PROFRAME.COM

THIS AGREEMENT ("Agreement") made and entered into this 21 day of June, 2011, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and PRO-FRAME CONSTRUCTION, LLC ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors, laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as:

STAIR CASES

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

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the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

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Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, ~~permits~~ and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, ~~permits~~, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency. If Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.

12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.

13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Parties") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs; attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):

- (a) Work as required by the Contract Documents and under this Agreement;
- (b) construction or others services as required by the Contract Documents and under this Agreement;
- (c) materials furnished as required by the Contract Documents and under this Agreement;
- (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

- (e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
- (f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
- (g) breach of this Agreement; and/or
- (h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. **SUBCONTRACTOR WARRANTIES:** Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. **SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY**

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Stock Initials: [Signature]
Subcontractor Initials: [Signature]

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A2". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. **COMPLETION:** Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. **WAIVER:** TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. **TAXES/CHARGES:** Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. **DEFECTIVE WORK:** Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. **BREACH:** SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

[Handwritten signature]

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: _____

Print Name: _____

Title: _____

SUBCONTRACTOR:

_____ INC.
(Subcontractor Entity Name)

By: _____

Print Name: _____

Title: _____

EXHIBIT 11



2847 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: Siltech Inc
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: DINO J. LONGO
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
 BUSINESS ADDRESS: 1881 TRADE CENTER WAY, NAPLES, FL 34109
 PHONE 239-593-7988 FAX 239-593-7983 EMAIL dino@siltech-inc.com

THIS AGREEMENT ("Agreement") made and entered into this 10th day of JANUARY, 2010, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and Siltech Inc a Florida Corporation ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: INSTALLATION AND SUPPLY OF ACrylic Windowsills

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

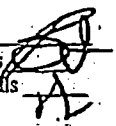
Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.



Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (If different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

- (e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
- (f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
- (g) breach of this Agreement; and/or
- (h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or In Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. **SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY**

[Handwritten initials]

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. **COMPLETION:** Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereon.
20. **WAIVER:** TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. **TAXES/CHARGES:** Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. **DEFECTIVE WORK:** Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. **BREACH:** SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or



- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B), ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS:

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 

Print Name: SEA Inc.

Title: President

SUBCONTRACTOR:

Siltech Inc
(Subcontractor Entity Name)

By: 

Print Name: Dan S. Long

Title: President

EXHIBIT 12



2647 Professional Circle • Suite 1201 • Naples, FL 34118

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: Sutton Contracting Solutions Inc.
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: Shawn Sutton
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
 BUSINESS ADDRESS: 2808 Broadway Center Blvd. Brandon, FL 33510
 PHONE: 813.620.3700 FAX: 813.620.3744 EMAIL: ssutton@suttoncontracting.com

THIS AGREEMENT ("Agreement") made and entered into this 27 day of December, 2013, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and Sutton Contracting Solutions, Inc. ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: weather barrier

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance or any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid. Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting, storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and/or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

(e)injuries of/to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
(f)defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
(g)breach of this Agreement; and/or
(h)acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a)A maximum of \$5,000,000.00; or
- (b)the amount of this Agreement sum; or
- (c)the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. **SUBCONTRACTOR WARRANTIES:** Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. **SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY**

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (c) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or
 - (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
 - (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
 - (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
 - (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein; or
 - (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.
24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:
- (A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;
 - (B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;
 - (C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR
 - (D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.
25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock; which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association; and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 

Print Name: VP

Title: VP

SUBCONTRACTOR:

Sutton Contracting Solutions, Inc
(Subcontractor Entity Name)

By: 

Print Name: Stuart Sutton

Title: President

EXHIBIT 13



2647 Professional Circle ♦ Suite 1201 ♦ Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: SW USA Franco, LLC
 OWNERSHIP: ☐ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☒ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS: [REDACTED]
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
 BUSINESS ADDRESS: 690 2nd ST SW
Naples, FL 34117
 PHONE 239-200-7682 FAX N/A EMAIL SWUSAfranco@outlook.com

THIS AGREEMENT ("Agreement") made and entered into this 16 day of January, 20 15, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and SW USA Franco, LLC ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Painting

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid. Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines, No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and/or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
 - (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

- (e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
- (f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
- (g) breach of this Agreement; and/or
- (h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or;
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing. actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

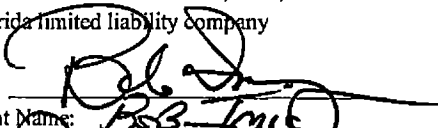
26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) send by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent. which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 
Print Name: Bob Truitt
Title: President

SUBCONTRACTOR:

SUN USA Franco, LLC
(Subcontractor Entity Name)

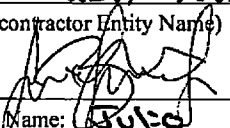
By: 
Print Name: Julio Franco
Title: MG Run

EXHIBIT 14

STOCK

2647 Professional Circle ♦ Suite 1201 ♦ Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: United Subcontractor's Inc DBA NCK/West Coast Insulation
OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: Jason Perkins - Branch Manager
SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
BUSINESS ADDRESS: 3219 Marion St, Ft Myers, FL 33916
PHONE 239-334-2338 FAX 239-334-9241 EMAIL jperkins@unitedsub.com

THIS AGREEMENT ("Agreement") made and entered into this 12th day of January, 2011 by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and NCK/West Coast Insulation ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: Insulation, Closet Shelving, Mirrors and Shower Enclosures

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

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Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.

10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims");
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;



(e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
(f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
(g) breach of this Agreement; and/or
(h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

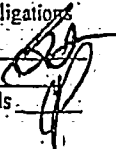
Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY



SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's Insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.



Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. REMEDIES: IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

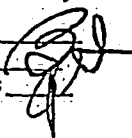
(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

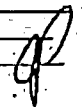
(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. TERMINATION: This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.



26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock; and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole



and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: [Signature]
Print Name: Bob Smith
Title: President

SUBCONTRACTOR:

NCR/West Coast Insulation
(Subcontractor Entity Name)

By: [Signature]
Print Name: Jason Perkins
Title: Branch Manager

Exhibit 15

STOCK

2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: J & D Heating and Air-Conditioning, Inc.
OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OF OWNERS: Jim or Diane Parker
SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO.: [REDACTED]
BUSINESS ADDRESS: 5631 Halifax Avenue
Fort Myers Fla. 33912
PHONE 239-415-4271 FAX 239-415-4276 EMAIL _____

THIS AGREEMENT ("Agreement") made and entered into this 31 day of JANUARY, 20 11, by and between Stock Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and _____ ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: LMAC

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitutions. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions, whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid. Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefore by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.



Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefits for the Subcontractor or its employees, agents, or subcontractors.



10. **REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES:** The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and /or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

11. **EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the changes or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment Pricing or an extension to the term of this Agreement.
12. **ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
13. **INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or others services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

- (e) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
- (f) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
- (g) breach of this Agreement; and/or
- (h) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or In Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) A maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto, and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person or entity with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. **SUBCONTRACTOR WARRANTIES:** Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. **SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY**

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER, OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever Occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee or warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warranty the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub Contractors;
- (c) Limitations or Exclusions for Residential Work
- (d) Limitations or Exclusions for Multi-Unit Dwellings
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, loss payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, matriculmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificates of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. COMPLETION: Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title thereto shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. WAIVER: TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS' OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. TAXES/CHARGES: Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal; Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. DEFECTIVE WORK: Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. BREACH: SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (Or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein;
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

24. REMEDIES: IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. TERMINATION: This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitations any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement, including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agents prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 

Print Name: Bob King

Title: President

SUBCONTRACTOR:

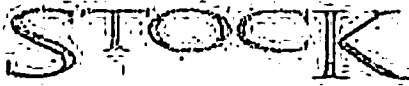
J & D Heating AC Inc.
(Subcontractor Entity Name)

By: 

Print Name: Jim Parker

Title: President

Exhibit 16



2647 Professional Circle • Suite 1201 • Naples, FL 34119

Subcontractor Base Agreement

NAME OF SUBCONTRACTOR: CTI Construction, LLC
 OWNERSHIP: ☒ CORPORATION ☐ PARTNERSHIP ☐ PROPRIETORSHIP ☐ LIMITED LIABILITY COMPANY
 NAME(S) OF PRINCIPAL OFFICERS, PARTNERS OR OWNERS: Frank Prince, Fred Kapp, Dan Prince
 SUBCONTRACTOR'S EIN OR SOCIAL SECURITY NO: [REDACTED]
 BUSINESS ADDRESS: 5851 Collier Lakes Blvd. SE Naples FL 34105
 PHONE: 239 487 4477 FAX: 239 487 4477 EMAIL: subshop@cticonstruction.com

THIS AGREEMENT ("Agreement") made and entered into this 5 day of February, 2011, by and between Stock, Construction, LLC, a Florida limited liability company, its successors and/or assigns ("Stock") and CTI Construction, LLC ("Subcontractor").

1. As used herein the following terms shall have the meanings specified unless the context otherwise requires.
 - (a) "Bid/Proposal" shall have the meaning specified in Paragraph 4.
 - (b) "Contract Documents" shall mean this Agreement, together with any and all Subcontractor Safety & Health Standards (Field Guidelines), Work Notification Forms, Bid/Proposals, and Plans and Specifications issued or utilized in connection with Work performed by Subcontractor.
 - (c) "FHA" shall mean the Federal Housing Administration.
 - (d) "Plans and Specifications" shall mean approved foundation plans, frame plans, floor plans, elevation plans, blueprints, construction sheet details, and other specifications, including FHA manuals.
 - (e) "Project" shall mean the following: _____
 - (f) "Stock" shall have the meaning specified in the beginning paragraph of this Agreement.
 - (g) "Subcontractor" shall have the meaning specified in the beginning paragraph of this Agreement and shall include Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable.
 - (h) "VA" shall mean the U.S. Department of Veterans Affairs.
 - (i) "Work" shall include, without limitation, any and all of the work specified in Paragraph 3 below, and any and all change order work, extra work, work included on all Work Notification Forms, unbudgeted work, and other work directed by Stock to be performed by Subcontractor; including but not limited to the management, supervision, financing, labor, materials, tools, fuel, supplies, utilities, equipment and services of every kind and type necessary to diligently, timely, and fully perform and complete in a good and workmanlike manner the Work required by the Contract Documents.
 - (j) "Work Notification Form" shall mean a written order issued by Stock to Subcontractor specifying certain Work to be performed; the term Work Notification Form shall include forms designated "Purchase Order", "Job Start Order", "Field Purchase Order", and other similar designations and containing certain information about commencing such Work and the payment for such Work.
2. **NON-EXCLUSIVITY:** The purpose of this Agreement is to fix the obligations of Stock and Subcontractor as to the performance by Subcontractor of certain described Work. Subcontractor acknowledges that this Agreement is nonexclusive and that Stock is free to contract with any other person or entity for the performance of work which is the same or similar to that described in this Agreement. Subcontractor is also free to enter into third party contracts with any other subcontractor, laborer and/or materialmen for the provision of the Work to be provided hereunder. Subcontractor will ensure that such other work performed by third party subcontractors, laborers and materialmen does not interfere with Subcontractor's performance under the Contract Documents and all such other contracts shall not be deemed a direct contract between Stock and such third party subcontractors, laborers, or materialmen. This Agreement shall not be construed as obligating Stock to accept bids or issue Work Notification Forms to Subcontractor.

3. **SCOPE OF WORK:** The Work to be performed by Subcontractor shall be more specifically described in subsequently issued Work Notification Forms but is generally described as: CONCRETE WORK

Cost Code No: _____

As set forth above, in conjunction with this Agreement, Stock may issue Work Notification Forms from time to time, covering the Work to be performed and time for completion at each specific job location. Subcontractor shall have no authority to commence Work at any job location until it has received a Work Notification Form for a specific job location. It shall be Subcontractor's responsibility to obtain a Work Notification Form before beginning any Work at a specific job location. In the event Subcontractor's proposal, estimate or similar document is attached to or referenced in a Work Notification Form issued by Stock, only those terms which define or identify the work to be performed by Subcontractor shall be incorporated as part of the Work Notification Form and/or this Agreement and any remaining portions of Subcontractor's proposal, estimate or similar document shall not be considered part of the Work Notification Form, this Agreement, or any agreement between Stock and Subcontractor. No substitutions shall be allowed in the performance of the Work unless expressly provided in the Plans and Specifications or applicable Work Notification Form, and only then upon Subcontractor first receiving all approvals required from Stock for substitution. Subcontractor shall indemnify Stock for all loss, damage and expense incurred as a result of such substitutions whether or not Subcontractor has obtained approval thereof.

4. **PRICING and PAYMENTS:** Subcontractor has submitted to Stock a Bid/Proposal pursuant to Stock's "invitation to bid" for Work, receipt of which is acknowledged thereon by Stock, which Bid/Proposal is incorporated herein by reference. The Bid/Proposal may be modified by Subcontractor only by a subsequent written and dated amendment, as approved by and receipt of which shall be acknowledged thereon by Stock, which approval Stock may withhold in its sole and absolute discretion. Upon acceptance and approval by Stock, such amended Bid/Proposal shall be attached hereto and incorporated herein by reference. The Bid/Proposal in effect at the time of the issuance of any Work Notification Form shall be applicable to all Work to be performed thereunder, without variation, unless otherwise approved in writing by Stock. Subcontractor acknowledges that its compensation is a fixed contractual rate, subject to modification under the next clause of this contract for changes in the Work required. Compensation under the Contract Documents is not hourly compensation. Subcontractor agrees that payment shall be made to the entity named in the beginning paragraph of this Agreement, and not to any individual person which provides Work pursuant to this Agreement.

Notwithstanding anything in this Agreement to the contrary, Subcontractor's right to any payment under this Agreement is expressly contingent and conditioned upon: (1) Stock's determination that all Work to be performed pursuant to a particular Work Notification Form has been completed satisfactorily; (2) If requested by Stock, the Subcontractor delivering to Stock a full and complete release of all liens and claims of Subcontractor and any and all of its subcontractors and suppliers of materials, labor, equipment, work, tools, services and other items furnished in connection with the Work, and (3) If requested by Stock, the Subcontractor delivering to Stock an affidavit (in a form satisfactory to Stock) that provides that so far as Subcontractor is able to ascertain, no person or entity other than the persons or entities furnishing such waivers and releases, has a right to any such lien or claim for materials, labor, equipment, work, tools, services or other items furnished in connection with the Work.

Notwithstanding anything in this Agreement to the contrary, if requested by Stock, Subcontractor's failure to supply these lien waivers and releases will negate any request for payment until such time as the lien waivers and releases are provided. If any lien or claim remains outstanding after all payments are made, Subcontractor shall refund to Stock all monies that Stock may be compelled to pay in discharging or resolving such lien or claim, including, without limitation, attorney's fees and costs. If Subcontractor fails to make any such refund within fifteen (15) days of notice to Subcontractor from Stock, Subcontractor shall be in breach of this Agreement, and Stock may, in addition to any other right and remedy, withhold from any sums due or to become due Subcontractor under this or any other Agreement such amount as may be required, in Stock's sole discretion, to discharge or resolve any such lien or claim, and to reimburse Stock for the applicable fees and costs incurred by Stock. Subcontractor shall defend, indemnify and hold harmless Stock and Stock's purchaser from the operation and effect of any lien or encumbrance arising out of the performance of Subcontractor's work, and shall turn over the property subject to the Work, including any improvements thereon, to Stock free and clear of all such liens and encumbrances. If any such lien or encumbrance is claimed by any person or entity performing any portion of Subcontractor's work, Subcontractor shall, immediately upon verbal notice from Stock, discharge same by payment or posting a sufficient bond to transfer the lien or encumbrance from the real property to the bond. If Subcontractor continues to receive payments from Stock, Subcontractor will hold these payments and the rights to future payments from Stock in trust for the benefit of, and to be first applied to payment of those subcontractors, laborers, equipment suppliers and material suppliers who have performed any portion of Subcontractor's work, before using any portion of such payment for any other purpose. In the event Stock has reason to believe that labor, material, equipment or other obligations of Subcontractor incurred in

the performance of Subcontractor's work are not being promptly paid, Stock may, upon giving written notice to Subcontractor, take any steps deemed necessary to ensure that any payments from Stock to Subcontractor shall be utilized to pay such obligations. Upon such written notice, Stock may require Subcontractor to supply satisfactory evidence that Subcontractor's obligations have been paid or to post a payment and performance bond for the protection of Stock, its purchaser, and those to whom Subcontractor has an obligation for payment. The failure of Subcontractor to provide either of these means of security shall entitle Stock to retain out of any payment due or become due to Subcontractor a reasonable amount to protect Stock from any and all loss, damage or expense including attorney's fees arising out of or relating to any such claim or lien from one to whom Subcontractor has an obligation until the claim or lien has been satisfied by Subcontractor.

Acceptance of Work and payment therefor by Stock under this paragraph shall not be construed as a waiver by Stock for Work later found defective and shall not release the Subcontractor from liability under any warranty for defective Work or for any obligation to perform warranty service Work.

5. **SUBCONTRACTOR REVIEW and INSPECTION:** Subcontractor expressly agrees to read and familiarize itself completely with all Contract Documents, including but not limited to the Plans and Specifications applicable to this Agreement or any Work Notification Form, to independently verify all information furnished by Stock or contained in the Plans and Specifications and to inspect the job site before starting any Work under a Work Notification Form. Subcontractor shall immediately report in writing to Stock any discrepancy, deficiency, variance from or violation of any laws, ordinances, rules, regulations or orders of any public authorities observed or known to Subcontractor in the Work, Plans and Specifications or at the job site. All Plans and Specifications furnished to Subcontractor by Stock are the property of Stock and shall not be duplicated or used for any purpose other than the performance of the Work and must be returned to Stock at the completion of Subcontractor's Work. Subcontractor shall be solely responsible for all construction under this Agreement and any Work Notification Form, including the techniques, sequences, procedures and means, and for coordination of all Work.

Subcontractor has made an independent investigation of the site, and the soil conditions and has satisfied itself as to all of these conditions such that the Bid/Proposal include payments for all Work which may be performed by Subcontractor to overcome any unanticipated, underground, or concealed conditions. Subcontractor waives any and all rights and claims for any changes to the Work Notification Form amount for any items or claims which Subcontractor could have become aware of prior to accepting the Work Notification Form and/or commencing Work thereunder had its examinations of the Project been conducted in a reasonable manner.

Subcontractor shall be responsible for inspecting any work of another contractor that may affect its own Work and shall report in writing to Stock any defects in such work upon discovery of the defect prior to commencing any portion of the Work, or it shall be deemed to have accepted such work as correct and fit to be accommodated into its own. If Subcontractor shall be delayed in the commencement, prosecution, or completion of the Work or shall be obstructed or hindered in the orderly progress of the Work by an act, failure to act, omission, neglect or default of Stock, any architect, another contractor or subcontractor, or any of their respective agents or employees, or by any cause beyond the control of Subcontractor, then the time fixed for completion of the Work may be extended in the sole discretion of Stock and only if Subcontractor notifies Stock in writing within forty-eight (48) hours of the discovery of the cause of such delay. Subcontractor expressly agrees not to make, and hereby waives, any claim for damages on account of any delay, obstruction, or hindrance for any cause whatsoever, including but not limited to, the aforesaid causes, and agrees that Subcontractor's sole right and remedy in the case of any delay shall be an extension of the time fixed for completion of the Work.

6. **PROSECUTION OF WORK:** Subcontractor shall cooperate with all other contractors engaged by Stock to the effect that their work shall not be impeded and shall give such other contractors access to the job site necessary to perform their contracts. Subcontractor shall perform the Work in a prompt and diligent manner whenever such Work, or any part of it, becomes available, or at such other time or times as Stock may direct so as to promote the progress of the entire Project. Subcontractor shall not delay or otherwise interfere with or hinder the work of any other contractor on the job. If the work or property of another is hindered, delayed, or damaged by Subcontractor, Subcontractor will pay for all costs and damages incurred by such other party and will cause all such damage to be corrected to the satisfaction of and without cost to Stock. Any materials that are to be furnished by Subcontractor hereunder shall be furnished in sufficient time to enable Subcontractor to perform and complete its Work with the time or times provided for herein or in any Work Notification Form. If, in the opinion of Stock, in its sole discretion, Subcontractor falls behind in furnishing the necessary labor and/or materials to meet the schedule established by Stock, then Subcontractor shall take such steps and actions as are deemed necessary by Stock to improve the rate of progress, including, but not limited to, increasing the labor force, number of shifts and/or work such overtime as may be required, at its own expense, to bring its part of the Work up to the schedule established by Stock. Subcontractor agrees to reimburse or pay Stock, or Stock may withhold payment otherwise due under this Agreement, for any and all damages that Stock may sustain as a result of such delays by Subcontractor. Time is of the essence in this Agreement.

Subcontractor shall perform all labor in a thorough and workmanlike manner, according to the highest standards of the trade. Subcontractor warrants that all labor done and any materials furnished by Subcontractor will meet or exceed FHA minimum property standards, VA requirements, any applicable building code requirements and all Stock requirements. Should a dispute arise as to the proper interpretation of this Agreement, or any work or material performed or furnished hereunder, which concerns the parties hereto only, or which concerns Subcontractor and any other contractor(s), subcontractor(s) or supplier(s), the dispute shall be decided by Stock, whose decision thereon shall be final and conclusive. In any event, and in spite of any dispute, claim, or controversy arising out of this Agreement, Subcontractor shall proceed diligently with the Work, pending final determination pursuant to any disputes clause or pursuant to any other action taken with respect to any dispute, claim, or controversy.

7. **MATERIALS and EQUIPMENT:** Subcontractor shall secure and maintain material ordered by Subcontractor until completion of the Work and satisfaction acceptance by Stock. Subcontractor shall be responsible for the receipt, delivery, unloading, hoisting, storage, warehousing, protection, insurance and all other risks of loss relating to any materials or equipment Subcontractor is to furnish, install, provide, or have provided to it under this Agreement. Subcontractor shall keep adequate supply of materials on hand at all times, as required to meet production schedules. Subcontractor shall be responsible for the security of all materials on the jobsite. Further, if the Work requires the installation of materials furnished by others, it shall be the responsibility of the Subcontractor to examine the items so provided, and to thereupon handle, store, and install the items with such skill and care to ensure a satisfactory and proper installation. Loss or damage to the materials due to acts of negligence by the Subcontractor shall be deducted from any amounts due or to become due to the Subcontractor.
8. **SUBCONTRACTOR REPRESENTATIONS:** Subcontractor represents and warrants that it is fully qualified in all respects to perform the Work and shall at all times maintain strict discipline among its employees. Subcontractor shall supervise and direct the Work competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the Work in accordance with the Contract Documents. Subcontractor shall be responsible to see that the finished Work complies accurately with the Contract Documents. Subcontractor agrees not to employ any person unfit or without sufficient skill to perform the job for which Subcontractor was retained for the Project. Subcontractor agrees that Stock shall not provide training of any kind. Accordingly, it is the sole responsibility and expense of Subcontractor to provide training for the Subcontractor or its employees, agents, or subcontractors.

Subcontractor shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, age or national origin. Subcontractor shall comply with all equal opportunity or affirmative action requirements or plans as may be set forth in the Contract Documents.

Subcontractor shall at all times remain an independent contractor, solely responsible for the Work, methods, techniques, procedures and supervision and coordinating all portions of the Work to be performed under this Agreement and Field Guidelines. No provision hereof shall be construed to make Subcontractor Stock's agent. All person employed by Subcontractor, or Subcontractor's sub-contractors to perform services in connection with this Agreement shall be under the exclusive control and direction of Subcontractor or Subcontractor's subcontractors, it being the intention of the parties that Subcontractor and its subcontractors shall be and remain an independent contractor. Stock shall not exert actual control, nor possess the right to control, the actions of the employees of Subcontractor or Subcontractor's subcontractors in performing duties under this Agreement.

Subcontractor shall fully protect the Work from loss or damage and shall bear the cost of any such loss or damage until final payment has been made. If Subcontractor or any one for whom Subcontractor is legally liable for is responsible for any loss or damage to the Work, or other work or materials of Stock or Stock's separate contractors, Subcontractor shall be charged with the same, and any monies necessary to replace such loss or damage shall be deducted from any amounts due Subcontractor.

Subcontractor shall not load nor permit any part of any structure or property to be loaded in any manner that will endanger that structure or property, nor shall Subcontractor subject any part of the Work or adjacent property to stresses or pressures that will endanger it.

9. **LICENSES and PERMITS:** Subcontractor shall, at Subcontractor's sole expense, hold and maintain all required licenses, obtain all required permits and shall comply with all laws and ordinances and the rules, regulations, and orders of all public authorities relating to the performance of the Work. In the event of termination of this Agreement, Subcontractor shall immediately transfer and assign to Stock any and all applicable certificates, permits, contracts, subcontracts, and purchase orders relating to the Work. Subcontractor agrees that Stock is not responsible for providing any tools or benefit for the Subcontractor or its employees, agent, or subcontractors.

10. REGULATORY COMPLIANCE and HAZARDOUS SUBSTANCES: The Occupational Safety and Health Act of 1970, as amended (OSHA) has established regulations entitled OSHA Hazard Communication Standard. According to the regulations, manufacturers of hazardous materials are required to furnish Material Safety Data Sheets (MSDS) giving information on proper handling and precautionary measures in using the materials. Many substances commonly used in residential construction fit the description of hazardous materials established by OSHA. Subcontractor shall comply with all OSHA regulations pertaining to the work and any materials used in the work. Subcontractor shall have sole and exclusive responsibility for training its employees, subcontractors and suppliers in the proper handling of hazardous materials and any precautionary measures required. Subcontractor shall supply all protective clothing and devices necessary to protect its employees, subcontractors and suppliers from hazardous materials while on the site. Subcontractor shall obtain all MSDS's pertaining to any hazardous material used or created in the process of performing the work, and shall distribute copies of such MSDS's to Company and to all other contractors, subcontractors, and suppliers performing work on the site. Subcontractor shall also obtain from all other contractors, subcontractors and suppliers performing work on the site, copies of all MSDS's for all hazardous materials used or created by such contractors, subcontractors or suppliers, and shall retain copies of such MSDS's and provide them to Subcontractor's employees, subcontractors and suppliers as required by the OSHA regulations. In other words, Subcontractor must exchange MSDS's with all other contractors, subcontractors and suppliers, and implement a training program for its employees.

Subcontractor acknowledges and understands that the Project may be subject to the requirements of the National Pollutant Discharge Elimination System, as amended (NPDES) and Clean Water Act, as amended (CWA). Subcontractor is fully aware of the NPDES and CWA and shall not in any way interfere, damage or in any way negatively impact the structures and/or procedures in place or to be implemented at the Project pertaining to NPDES and CWA. Subcontractor shall be responsible for any loss, damage, fine and penalty incurred by Stock or its affiliates due to acts of negligence by the Subcontractor and such costs and expenses shall be deducted from any amounts due or to become due to the Subcontractor. Further, Subcontractor shall indemnify Stock for any and all costs, fines, penalties and expenses incurred by Stock as a result of violations of NPDES and CWA caused by Subcontractor.

- 11. EMERGENCIES:** In the event of an emergency affecting the safety or protection of persons or the Work or property at the job site or adjacent thereto, Subcontractor, without special instruction or authorization from Stock is obligated to act to prevent threatened damage, injury or loss. Subcontractor shall give Stock written notice within twenty-four (24) hours after the occurrence of the emergency, if Subcontractor believes that any significant changes in the Work or variations from the Contract Documents have been caused thereby. If the Stock determines that a change in the Contract Documents is required because of the action taken in response to an emergency, a Change Order shall be issued to document the consequences of the change or variations. If Subcontractor fails to provide the twenty-four (24) hour written notice noted above, the Subcontractor shall be deemed to have waived any right it otherwise may have had to seek an adjustment pricing or an extension to the term of this Agreement.
- 12. ASSUMPTION OF LIABILITY:** Subcontractor agrees to, and hereby does, assume full responsibility for any and all acts, negligence or omissions of Subcontractor's employees, laborers, agents, materialmen, and subcontractors and any and all employees and agents of the aforementioned, and any and all other persons doing work under an oral or written order or contract with Subcontractor.
- 13. INDEMNIFICATION, HOLD HARMLESS & DEFENSE:** The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, at Subcontractor's sole expense, Subcontractor shall indemnify, defend and hold harmless both Stock and the Owner (if different from Stock) and their affiliated companies, parents, subsidiaries, partners, joint ventures, representatives, members, designees, officers, directors, shareholders, employees, agents, successors, and assigns (collectively referred to as "Indemnified Party/ies") of, from, and against any and all claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, including but not limited to demands, suits, liabilities, causes of action, damages, claims for bodily injury, death or damage to property, judgments, contractual liabilities, including costs and expenses associated thereto which include but is not limited investigative and repair costs, attorneys' fees and costs, consultants' fees and costs, and other expenses, any of which arise out of, relate to, result from, are occasioned by, contributed to by, connected with and/or are in any way caused, in whole or in part, by the acts of, omissions, failures and/or performance by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, as to any of the following (collectively referred to as "Claims"):
- (a) Work as required by the Contract Documents and under this Agreement;
 - (b) construction or other services as required by the Contract Documents and under this Agreement;
 - (c) materials furnished as required by the Contract Documents and under this Agreement;
 - (d) violations or alleged violations of Occupational Safety and Health Act of 1970, as amended, or to regulations promulgated thereunder, and/or to violations or alleged violations similar state laws and regulations;

(g) injuries to and/or destruction of tangible property, including the loss of use or economic loss resulting therefrom;
(h) defectively performed and/or alleged defectively performed Work by Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable;
(i) breach of this Agreement; and/or
(j) acts or omissions which include negligent or willful misconduct of Subcontractor and/or any of its subcontractors, laborers, materialmen, agents, or employees, or anyone for whose acts any of them may be liable, whether active or passive.

In Whole or in Part: Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties, shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist to any party or person described in this Paragraph 13.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by any of the Indemnified Parties, whether active or passive.

Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties is applicable whether any Claims are caused in part by the concurrent act(s), omission(s) by and/or negligence of any of the Indemnified Parties, whether active or passive, provided however, said Indemnified Party shall not be indemnified for its own sole negligence or willful misconduct.

Limitations on Obligations & Florida Statutes, Section 725.06: With regard to any and all Claims, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall not be limited in any way by any limitation on the amount or type of damages, compensation, insurance requirements and limits set forth in Exhibit "A", or benefits payable by/for Subcontractor or any subcontractor under workers' or workmen's compensation acts, disability acts or other employee benefits acts. Notwithstanding the foregoing, Subcontractor's obligation to indemnify, defend and hold harmless the Indemnified Parties shall be limited to the greater of:

- (a) a maximum of \$5,000,000.00; or
- (b) the amount of this Agreement sum; or
- (c) the maximum amount of insurance coverage limits available to the Subcontractor under any and all policies of insurance and applicable to any Claim(s).

The parties agree and acknowledge that this limitation bears a reasonable commercial relationship to this Agreement and the services being provided hereunder, and this indemnity clause is intended to comply with the Florida laws on indemnity and specifically to comply with Florida Statutes, Section 725.06, including any amendments thereto and is to be interpreted in such a way as to be fully enforceable. If any word, clause or provision of this Paragraph 13 is determined not to be in compliance with Florida Statutes, Section 725.06, including any amendments thereto, it shall be ineffective and the remaining words, clauses and provisions shall remain in full force and effect.

Duty to Defend: Subcontractor's duty to defend under this Paragraph 13 is independent and separate from its duty to indemnify and hold harmless, and the duty to defend exists regardless of any ultimate liability of Stock and/or any Indemnified Party. The duty to defend arises immediately upon presentation of a Claim by any person promptly with written notice of such Claim being provided to Subcontractor.

Survival Provision: Subcontractor's obligation to indemnify, defend and hold harmless will survive the expiration or earlier termination of this Agreement until it is determined by final judgment that an action against the Indemnified Party/ies for any and all matters indemnified is fully and finally barred by the applicable statute of limitations.

Waiver of Subrogation: Subcontractor waives any rights of subrogation against Stock and shall require any of Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable to waive their subrogation rights against Stock.

Secure Performance: At its sole discretion, Stock may withhold, from time to time, from any monies otherwise due Subcontractor hereunder or under any other contract or agreements, a sum of money, which, in the sole judgment of Stock, shall be sufficient to secure the performance of Subcontractor's obligations under this Paragraph 13.

Notice: Stock shall provide written notice of any Claims within sixty (60) days after Stock becomes reasonably aware that Subcontractor may be liable for any such Claims.

14. SUBCONTRACTOR WARRANTIES: Subcontractor represents and warrants to Stock that all equipment and materials provided by Subcontractor and incorporated in the Work will be new, unless otherwise specified in the Plans and Specifications, and together with the Subcontractor's Work shall be of good quality, free of defects and in conformity with the Contract Documents. It is understood between the parties hereto that all equipment, materials and Work not so in conformity shall be defective. Subcontractor specifically agrees that it is responsible for the protection of the Work until final completion and that Subcontractor will make good or replace, at no expense to Stock, any damage to the Work which occurs prior to said final completion. Inspection by Stock shall not relieve Subcontractor of its obligations herein. SUBCONTRACTOR FURTHER WARRANTS THAT ALL LABOR AND MATERIALS FURNISHED BY

SUBCONTRACTOR SHALL BE FREE OF DEFECTS FOR A PERIOD BEGINNING AT THE DATE THAT STOCK CONVEYS TITLE OF THE SUBJECT OF THE WORK, (HOUSE OR CONDOMINIUM UNIT) TO A PURCHASER OF THE HOUSE OR CONDOMINIUM UNIT, AND CONTINUING FROM SUCH DATE UNTIL THE LAST OF THE FOLLOWING TO OCCUR: (1) ONE YEAR; (2) FOR THE DURATION OF ANY LIMITED WRITTEN WARRANTY GIVEN BY STOCK TO SUCH PURCHASER OR (3) THE DURATION OF ANY COMMON LAW OR STATE OR FEDERAL STATUTORY WARRANTIES OF SUCH PURCHASER, OR SUBSEQUENT PURCHASER, OR ANY OTHER PERSON OR ENTITY, IF ANY. SUBCONTRACTOR AGREES TO MAKE, AT SUBCONTRACTOR'S SOLE EXPENSE, ALL REPAIRS AND CORRECT SUCH DEFECTS IN ORDER TO MEET ANY OF SUBCONTRACTOR'S WARRANTY OBLIGATIONS WITHIN EIGHT (8) HOURS OF NOTICE (ORAL OR WRITTEN) OF SUCH DEFECT IN AN EMERGENCY (DETERMINED BY STOCK IN ITS SOLE DISCRETION) AND WITHIN FORTY-EIGHT (48) HOURS OF NOTICE ON A NON-EMERGENCY BASIS. In addition, Subcontractor shall transfer any and all applicable manufacturer's warranties, together with all service and operating manuals for materials furnished by it under this Agreement, to Stock when the Work is completed or this Agreement is terminated, whichever occurs first. The warranty contained in this paragraph 14 is in addition to any other special warranties required by contract or law, and such warranty does not negate or abridge Stock's right to assert claims for latent or patent defects in accordance with applicable law.

The Subcontractor agrees to satisfy such warranty obligations which appear within the warranty or guarantee periods established in the Contract Documents without cost to the Owner or the Contractor. If no guarantee of warranty is required of the Contractor in the Contract Documents, then the Subcontractor shall guarantee or warrant the Subcontractor Work for the period of one (1) year from the date(s) of conveyance to the end user.

The Subcontractor further agrees to execute any special guarantees or warranties that shall be required for the Subcontractor's Work prior to final payment.

All guarantees and warranties must be submitted to the Contractor in a form acceptable to the Contractor prior to and as a condition for final payment.

Subcontractor expressly agrees that all warranties made by it in this Agreement shall survive the termination or expiration of this Agreement for any reason prior to the expiration of the full warranty period.

15. **RUBBISH and DEBRIS:** Subcontractor agrees to keep the job site and adjoining property free of waste material and rubbish caused by its Work or that of its subcontractors and to remove all waste materials and rubbish on completion or termination of its Work together with all tools, equipment, and machinery. Subcontractor agrees that upon terminating its Work at the site, Subcontractor shall conduct general clean-up operations, including, but not limited to, the cleaning of glass surfaces, paved streets and walks, steps and interior floors and walls, where applicable. Any personal property left by Subcontractor on or around job site for thirty (30) days following completion of the Work, excluding any Work performed pursuant to warranty service obligations, will become the property of Stock.
16. **ASSIGNMENT:** Subcontractor shall not assign this Agreement or any payments due or to become due hereunder without the prior written consent of Stock, which consent may be withheld in the sole discretion of Stock. Payments to Subcontractor will be made in accordance with Stock's current published payment procedures, as the same may be amended from time to time. Payment to Subcontractor of all or any portion of any progress payment or the final payment shall not constitute or imply or be evidence of performance of the Work by Subcontractor or acceptance of any portion of Subcontractor's Work by Stock, or in any way waive or affect Stock's claims or rights against Subcontractor.
17. **CHANGES:** Stock reserves the right to make changes in the Work in the nature of additions, deletions, or modifications, without invalidating this Agreement and agrees to make corresponding adjustments in the contract price and time for performance. All changes will be authorized by a new written Work Notification Form which will include conforming changes in any Bid/Proposal, payment schedule and/or time for performance.
18. **INSURANCE REQUIREMENTS:** Subcontractor shall procure and maintain insurance policies in the form and amounts as set forth on Exhibit "A", attached hereto and incorporated herein by reference. All coverage shall be placed with an insurance carriers duly admitted in the State of Florida and shall be reasonably acceptable to Stock. All insurance carriers must maintain an A.M. Best rating of "A-VIII" or better. Certified copies of all insurance policies must be made available and provided to Stock within ten (10) days of Stock's request. The word "Claims" used in this Paragraph 18 has been defined in Paragraph 13 above.

Endorsements in Insurance Policies: In addition to Exhibit "A", the Subcontractor shall carry and maintain commercial general liability insurance on ISO form CG 00 01 10 01 (or a substitute form providing coverage equal to or greater than said form). All policies of liability insurance shall contain an Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing coverage equal to

or greater than said form which would at a minimum additional insured status with respect arising out of Subcontractor's Work pursuant to the Contract Documents and which provides coverage both during the products-completed operations hazard period.) Such insurance shall cover liability arising out of premises, operations, independent contractors, products-completed operations, personal and advertising injury, bodily injury, property damage, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the commercial general liability, excess or umbrella coverage forms which contains any of the following:

- (a) Limitations or Modification of Contractual Liability Language;
- (b) Limitations or exclusions for Damage to Work Performed by Sub-Contractors;
- (c) Limitations or Exclusions for Residential Work;
- (d) Limitations or Exclusions for Multi-Unit Dwellings;
- (e) Limitations or Exclusions related to explosion, collapse, underground property damage;
- (f) Pollution Exclusions; or
- (g) work performed by subcontractors.

Additional Insured: Stock shall be named as an additional insured, less payee and certificate holder on each of the policies as outlined in Exhibit "A". Coverage under all policies shall be afforded to the additional insureds whether or not any Claims are actually in litigation.

Stock shall remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project that is the subject of this Agreement and the Contract Documents regardless of the date when the Subcontractor, Subcontractor's subcontractors, laborers, materialmen, agents, employees, and/or anyone for whose acts any of them may be liable, completes or finishes any Work or any other construction work, and/or regardless of the dates any certificates of occupancy are issued. Subcontractor's obligation to have Stock remain as an additional insured on each policy for a period not less than ten (10) consecutive years from the date of final completion of the entire construction project will survive the expiration or earlier termination of this Agreement until any and all Claims are fully and finally barred by the greater of any and all applicable statute of limitation or statute of repose.

Priority of Insurance Coverage: It is the intent of the parties that all available and applicable insurance coverage of the Subcontractor, whether primary or excess or umbrella policies, be primary coverage for any and all Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents, regardless of who makes said Claims. Further, the parties intend that Stock's insurance policies be excess over any and all available and applicable insurance policies of Subcontractor for the purposes of indemnity and defense of Stock.

Certificates of Insurance: Prior to commencing any Work under this Agreement, Subcontractor shall submit to Stock copies of policies or Certificate of Insurance that confirm appropriate insurance coverage.

Each Certificate of Insurance shall provide that the insurer must give Stock at least ninety (90) days prior written notice of non-renewal or material change in coverage and termination of the coverage thereunder. Not less than two (2) weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply Stock with a new and replacement Certificate of Insurance and additional insured endorsements as proof of renewal/replacement policies of insurance.

Subcontractor's Notice to Insurance Carriers and Agents: Prior to commencing any Work under this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A" and all amendments to each of its insurance agents and insurance carriers. Within ten (10) days after execution by the parties of any future amendments, modifications, additions, deletions, changes or addendums to this Agreement, Subcontractor must provide a fully executed complete copy of this Agreement with Exhibit "A", as amended, to each of its insurance agents and insurance carriers.

Subcontractor's Subcontractors: Subcontractor acknowledges it shall not subcontract any part of this Agreement without supplying Stock proof that all Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, obtains and maintains appropriate insurance coverage as detailed in Exhibit "A". It shall be Subcontractor's sole responsibility to ensure that Subcontractor's subcontractors, laborers, materialmen, agents, or employees, and anyone for whose acts any of them may be liable, fully complies with this Paragraph 18 and Exhibit "A", and future amendments thereto.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide Stock with a Certificate of Insurance showing insurance coverage, in compliance with Exhibit "A" each and every Subcontractor's subcontractors, laborers, materialmen, agents, and/or employees, and anyone for whose acts any of them may be liable. Coverage shall be no less than the limits as described in Exhibit "A". In the event any of these policies are terminated, for any reason, the Subcontractor shall provide Stock copies of Certificate of Insurance showing replacement coverage in compliance with Exhibit "A".

Waiver of Subrogation from Insurers: Subcontractor shall obtain from each of its insurers, a waiver of subrogation as to each of its insurance policies, in favor of Stock, with respect to any Claims concerning, pertaining to, related to, arising out of and/or connected with the Work and Contract Documents.

Breach: Failure of Subcontractor to maintain complete and appropriate insurance is a material breach. In this event, in addition to the all other remedy provisions in this Agreement, Stock can elect to terminate this Agreement or to provide insurance at Subcontractor's sole expense; in neither case, however, shall Subcontractor's liability be lessened.

19. **COMPLETION:** Immediately upon the performance of any part of the Work, as between Subcontractor and Stock, title therein shall vest in Stock to the extent permitted by law; provided, however, the vesting of such title shall not impose any obligations on Stock or relieve Subcontractor of any of its obligations hereunder. Upon completion of the Work described in any Work Notification Form, Subcontractor shall request the Stock representative on the job site to confirm completion of the Work. Thereafter, provided that Subcontractor is not in breach of this Agreement, and provided that Subcontractor is otherwise entitled to payment under this Agreement, upon notification to Stock, Stock shall pay Subcontractor for the Work described in the Work Notification Form in accordance with the Work Notification Form and the Bid/Proposal within sixty (60) days following Stock's receipt of a request for payment from Subcontractor. Subcontractor hereby agrees that if Subcontractor fails to request from Stock any sum, including, but not limited to, wages or contract sums due under this Agreement or any Work Notification Form, within ninety (90) days from the date they became due, said sums to Subcontractor and Subcontractor shall have no claim thereto.
20. **WAIVER:** TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR HEREBY WAIVES AND RELINQUISHES ANY AND ALL STATUTORY OR CONTRACTUAL RIGHTS THAT IT MAY HAVE TO OBTAIN STOP NOTICES OR LIENS, MECHANICS', OR OTHERWISE, AGAINST THE PROPERTY OR IMPROVEMENTS THAT ARE THE WORK AND AGREES NOT TO FILE ANY SUCH NOTICE OR LIEN AGAINST SUCH PROPERTY OR IMPROVEMENTS FOR ANY LABOR, SERVICES, WORK, MATERIALS, EQUIPMENT, TOOLS OR OTHER ITEMS FURNISHED TO OR FOR STOCK. TO THE EXTENT NOT PROHIBITED BY LAW, CONTRACTOR AGREES TO LOOK SOLELY TO ITS CONTRACTUAL RIGHTS FOR RECOVERY.
21. **TAXES/CHARGES:** Subcontractor shall pay all taxes, contributions and/or premiums payable on its employees or on its operations under workers' compensation laws, unemployment compensation laws, the Federal Social Security Act, health and welfare benefit plans, gross business taxes, sales and use taxes, contributions and/or premiums which are payable by the employees and the Subcontractor shall indemnify, defend and hold Stock harmless from all liability, loss and expense resulting from Subcontractor's failure to comply with these requirements. Subcontractor shall comply with all rules and regulations at any time applicable hereto and shall, on demand, substantiate to Stock's reasonable satisfaction that all taxes and charges are being properly paid. **SUBCONTRACTOR SHALL BE SOLELY RESPONSIBLE FOR WITHHOLDING TAXES, SOCIAL SECURITY TAXES AND STATE UNEMPLOYMENT TAXES FOR ALL EMPLOYEES OF SUBCONTRACTOR.**
22. **DEFECTIVE WORK:** Should Stock notify Subcontractor (orally or in writing) that any part of the Work is incorrect and does not conform to the terms of the Contract Documents, Subcontractor shall immediately begin to correct such defective work and shall complete such corrected work within forty-eight (48) hours; unless Stock shall agree to a longer period. If Subcontractor refuses to perform any corrective work, Subcontractor shall waive the above described forty-eight (48) hour period and such refusal or failure to perform the corrective work shall be deemed a default by Subcontractor hereunder. Subcontractor shall bear the entire cost of such corrective work, including any cost incurred by the disturbance of work completed by other contractors.
23. **BREACH:** SUBCONTRACTOR SHALL BE IN BREACH OF THIS AGREEMENT IF:
- (a) Subcontractor's Work is defective and not remedied as provided herein; or
 - (b) Subcontractor does not make prompt and proper payments to its employees, agents and/or subcontractors; or
 - (c) Subcontractor does not make prompt and proper payments for labor, services, work, materials or equipment furnished by third parties to it; or
 - (d) Another contractor is damaged by an act for which Subcontractor is responsible; or

- (e) Subcontractor or any third party furnishing labor, services, work, materials, equipment, tools or other items for the Work, files any claim or lien against the property where the Work has been performed and such claim or lien has not been discharged or resolved within twenty-four (24) hours after notice thereof to Subcontractor, and Subcontractor has not posted a discharge bond within this twenty four (24) hour period; or
- (f) Subcontractor fails to perform warranty service under this Agreement or any other prior or contemporaneous Subcontractor Agreement with Stock; or
- (g) Stock is fined by any governmental agency on account of or arising out of Subcontractor's (or Subcontractor's subcontractors or agents) violation of any law, ordinance, regulation, administrative ruling and/or court order; or
- (h) Subcontractor becomes insolvent or any petition for bankruptcy is filed with respect to Subcontractor; or
- (i) Subcontractor fails or neglects to prosecute the Work diligently and promptly, whether due to inadequate or incompetent supervision, insufficient skilled workers, lack of material or equipment, improper quantity or quality, or for any other reason not described herein; or
- (j) Subcontractor fails to comply with any terms of this Agreement or any Work Notification Form issued under this Agreement.

21. **REMEDIES:** IF SUBCONTRACTOR IS IN BREACH OF THIS AGREEMENT, IN ADDITION TO ANY AND ALL OTHER REMEDIES AVAILABLE UNDER APPLICABLE LAW, STOCK, IN ITS SOLE DISCRETION, MAY DO ANY OR ALL OF THE FOLLOWING:

(A) IMMEDIATELY TERMINATE THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR OTHER VERBAL OR WRITTEN AGREEMENT WITH SUBCONTRACTOR OR OTHER SUBCONTRACTOR BASE AGREEMENT BETWEEN SUBCONTRACTOR AND STOCK AND DISMISS SUBCONTRACTOR FROM THE JOB SITE BY PROVIDING SUBCONTRACTOR WITH WRITTEN NOTICE OF SUCH TERMINATION;

(B) ENGAGE OR EMPLOY OTHER CONTRACTORS TO REMEDY SUBCONTRACTOR'S DEFECTIVE WORK, TO COMPLETE ANY PORTION OF THE WORK NOT COMPLETED BY SUBCONTRACTOR, PERFORM SUBCONTRACTOR'S WARRANTY SERVICE OBLIGATIONS OR OTHERWISE CURE SUBCONTRACTOR'S BREACH AT SUBCONTRACTOR'S SOLE COST AND EXPENSE;

(C) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE HUNDRED TWENTY (120) DAYS ANY SUMS WHICH MIGHT BE DUE OR BECOME DUE TO SUBCONTRACTOR, WHETHER UNDER THIS AGREEMENT, ANY WORK NOTIFICATION FORM OR ANY OTHER AGREEMENT, AND MAY CHARGE AGAINST ANY SUCH SUMS WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM THE ENGAGEMENT OF OTHER CONTRACTORS AS PROVIDED IN (B) ABOVE OR OTHERWISE RELATING TO SUBCONTRACTOR'S BREACH, INCLUDING, BUT NOT LIMITED TO, STOCK'S OVERHEAD AND PROFIT; AND/OR

(D) WITHHOLD FROM SUBCONTRACTOR FOR UP TO ONE (1) YEAR AN AMOUNT, WHICH AMOUNT SHALL NOT EXCEED FIVE PERCENT (5%) OF THE CONTRACT PRICE FOR THE WORK, TO INSURE SUBCONTRACTOR'S PERFORMANCE OF WARRANTY SERVICE OBLIGATIONS. SHOULD SUBCONTRACTOR FAIL TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS, STOCK MAY CHARGE AGAINST SUCH AMOUNT WITHHELD ALL SUMS EXPENDED OR COSTS INCURRED BY STOCK ARISING FROM SUBCONTRACTOR'S FAILURE TO PERFORM SUCH WARRANTY SERVICE OBLIGATIONS.

25. **TERMINATION:** This Agreement may also be terminated and Subcontractor dismissed from the job site by Stock at any time in its sole discretion, with or without cause, by providing Subcontractor with notice (written or oral, in the sole determination of Stock) of such termination, and such termination shall be effective as of the time and date stated in such notice. In the event of termination of the Agreement pursuant to this paragraph 25 without cause, Stock shall pay Subcontractor within sixty (60) days after the effective date of such termination, all sums due and owing Subcontractor for all labor incurred and all materials incorporated in the Work performed under this Agreement prior to the effective date and time of termination. Subcontractor acknowledges and agrees that if Subcontractor is terminated pursuant to this paragraph 25 with cause, Subcontractor shall have no claim against Stock for any additional sums, including, without limitation, any claims for material purchased but not used in the Work, or for lost profits or for any other claim or sums whatsoever. The termination payment described herein, if applicable, is Subcontractor's sole remedy and in no event shall Subcontractor have any claim for consequential damages. Further, in the event of termination, Subcontractor will turn over all equipment and materials ordered, purchased for and delivered to the Project, and Stock will pay the Subcontractor any amounts due based on the percentage of completion of Subcontractor's Work that is in compliance with this Agreement and the Pricing, actually accomplished and equipment and materials supplied to the Project; excluding any payment for unearned profit and overhead. Subcontractor will facilitate transfer of Work to Stock by assigning its rights under subcontracts and purchase orders.

26. **ENTIRE AGREEMENT:** This Agreement, together with the Contract Documents, constitutes the entire agreement between Subcontractor and Stock and there are no other agreements, oral or written, by and between the parties hereto, except as to Subcontractor's warranties under any prior or contemporaneous Subcontractor Agreements with Stock, which warranties are incorporated by reference herein for all purposes. This Agreement, together with the Contract Documents, does not create a partnership or other unincorporated association between the Subcontractor and Stock. The relationship of Subcontractor is that of an independent contractor.
27. **HEADINGS:** The paragraph headings in this Agreement are for convenience only and shall not affect the meaning, interpretation or scope of the provisions which follow them.
28. **NOTICES:** Unless otherwise set forth herein, any notice to be given or served upon any party hereto in connection with this Agreement must be in writing, and shall be (a) delivered by hand, (b) sent by Federal Express, Express Mail or other overnight courier service, sent to the address on the first page hereof or such other address for notice as the parties shall last have furnished in writing to the person giving the notice or (c) sent by facsimile transmission with a copy delivered pursuant to (a) or (b) above. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by facsimile transmission as of the date and time of transmission, and (iii) if sent by Federal Express, Express Mail or other reputable overnight courier service, upon the earlier of the date of receipt or one (1) business day after posting thereof. If a notice is mailed in the manner provided above, it is duly given, whether or not the addressee received it.
29. **INVALIDITY:** If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable. This Agreement shall be construed enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, there shall be added automatically as if part of this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and may be legal, valid and enforceable.
30. **DISPUTE:** If a controversy or claim arises out of or related to this Agreement including a claim relating to an action taken by Stock pursuant to the self-help remedies of paragraph 24, and the parties cannot resolve the matter between themselves within sixty (60) days after Stock is first provided written notice of the claim or controversy by Subcontractor, the parties agree to try in good faith to settle the dispute by mediation under the Construction Industry Mediation Rules of the American Arbitration Association. If not settled by mediation, the dispute shall be resolved by final and binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Should a dispute arise between Stock and a buyer of a residence regarding materials supplied or work performed by Subcontractor, Subcontractor agrees to participate in, and be bound by, arbitration proceedings between Stock and the buyer.
31. **JURISDICTION and PRESUMPTION:** This Agreement shall be governed by and construed under the laws of the State of Florida. Any action brought to enforce or interpret this Agreement shall be brought in the court of appropriate jurisdiction in the county in which the property is located. Should any provision of this Agreement require judicial interpretation, the parties hereto agree and stipulate that the court interpreting or considering the same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of any legal conclusion that a document should be construed more strictly against the party who itself or through its agent prepared the same, or being agreed that all parties hereto have participated in the preparation and negotiation of this Agreement and each party had full opportunity to consult legal counsel of its choice prior to the execution of this Agreement.
32. **WAIVER:** Except as expressly set forth herein, this Agreement may not be changed, modified or terminated, except by an instrument executed by the parties hereto. No waiver by either party of any failure or refusal to comply with the obligation of any other party hereunder shall be deemed a waiver of any other or subsequent failure or refusal to so comply.
33. **COUNTERPARTS and FACSIMILE/PDF SIGNATURES:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement. Signatures given via facsimile or scan PDF transmission and shall be deemed given as of the date and time of transmission to the other party and shall be deemed original.
34. **PERSONS BOUND:** The provisions of this Agreement shall inure to the benefit of, and shall bind, the heirs, executors, administrators, successors and assigns of the respective parties. No person shall be deemed to be a third party beneficiary of this Agreement or any portion thereof. Subcontractor may not assign this Agreement without Stock's prior written consent, which consent Stock may withhold in its sole

and absolute discretion. Stock may assign this Agreement to any affiliate, subsidiary or other third party by providing Subcontractor five (5) days written notice thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

STOCK:

STOCK CONSTRUCTION, LLC, a
Florida limited liability company

By: 

Print Name: Bob Smith

Title: President

SUBCONTRACTOR:

STAFF INTERIOR, LLC
(Subcontractor Entity Name)

By: 

Print Name: Chad Thomas

Title: Branch Manager